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DELIVERED BY THE

HON. GEO. E. FOSTER,

(847-1431)

MINISTER OF MARINE AND FISHERIES,

AT HAMPTON, KING'S COUNTY, N. B.

JANUARY 10th, 1887.

ST. JOHN, N. B.

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1887.



APOHAQUI, January 21, 1887.

DEAR SIR,—As you are no doubt aware the House of Commons has been dissolved and an election ordered for Tuesday, February 22nd. It, therefore, becomes necessary for you in common with the electors of Kings to select your representative for the County. My services are at the disposal of the people, and I ask your kindly consideration of my candidature. I came to you in 1882 known personally to few in the County, wholly untried in the difficult field of Canadian polities and having nothing but my record of hard work and fair success to place before you. I had grown up among you, had worked for my education, had gained an honorable place among my fellow Canadians and the people of Kings took me upon my record, honoured me with their confidence and returned me as their representative. Since then, in spite of the keenest opposition, the electors saw me safely through the second contest of 1882, and, when, in 1885, I was honored by being called to represent New Brunswick in the Cabinet of the Dominion they again endorsed me with a majority about four times as great as that first given me in 1882.

My course as a Minister and Representative is well known to you. I have worked hard, worked honestly and conscientiously for the best interest of my County and Country.

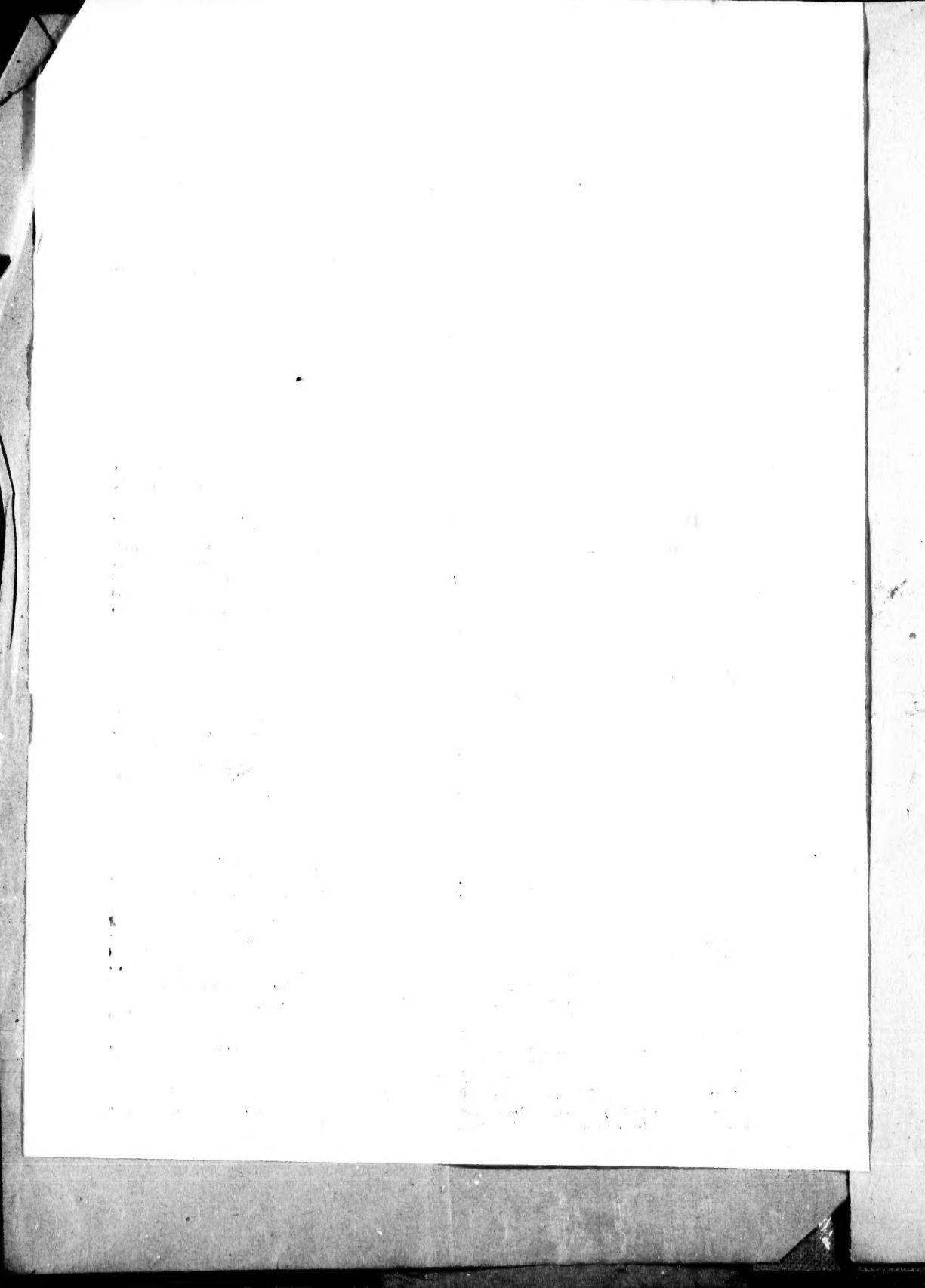
Upon my record, the policy I have helped to carry out, and the good will and earnest purpose which animate me to work for the future I appeal to you as an elector and ask your support. I have full confidence in the electorate of Kings and await their verdict with a certain belief that they know what is best for their County and for Canada at the present time, and will, on the 22nd February, show that knowledge by their votes.

I remain, dear sir,

Your obedient servant,

G. E. FOSTER.

31/10/55 THE
NEW BRUNSWICK
MUSEUM



SPEECH DELIVERED BY THE HON. GEO. E. FOSTER MINISTER OF MARINE AND FISHERIES,

At Hampton, King's County, N. B., January 10th, 1887.

HON. G. E. FOSTER,

who was received with prolonged and enthusiastic cheering, said:

Mr. Chairman, Ladies and Gentlemen :—I am very glad indeed to have been able this afternoon to have given you the pleasure of listening to my hon. colleague, older and more experienced than myself, who, though coming from a Province far removed from this, is yet one with us in the common citizenship that belongs to all Canadians. (Applause). I know you have listened to him with a great deal of pleasure and, I have no doubt, with a great deal of profit as well, and long afterward, when he shall have gone to his home and you shall be in yours, you will have a kindlier feeling for Ontario and a broader idea of Canada from the acquaintance you made today with my hon. colleague, the Minister of Customs. (Hear, hear). Now, as I appear before you this afternoon, after about a year's absence, as a member of the Government which you were kind enough to endorse in my person about a year ago, it becomes my duty to say some things to you with reference to that Government; its policy, and the methods by which it has conducted its business.

In the first place, let me say that whatever may take place here this afternoon and in succeeding days, I do not intend to waste your time nor my own time in replying to any personal criticisms, such as proceed upon suspicion and insinuation and abuse and depreciation, and which are directed not against the Government, not against its policy, but against some individual in the Government or some individual who may support the Government. I may say to you that I always feel as a man demeaned when I have to come down to such things, and I could hope that in this country of ours, where we are an intelligent people, where we are a law-abiding people, there are many questions broad and high which we may employ ourselves in discussing; and I have always regretted, and I regret today, there are people who, rather than confine themselves to argument, seem impelled by some defect of mind or guile of heart, to continually resort to insinuation, suspicion, or to personal abuse.

THE GROUNDS OF CRITICISM.

Now, I conceive that what you may have to urge against a Government, or what you may have to say in favor of it, may be grouped under two chief heads, viz.:—administration and policy. You, who are opposed to a Government, criticise it for faults in its administration; you criticise it for faults in its policy; and you who are in favor of the Government sustain it because of the excellencies of its administration and the wisdom of its policy. That does not mean, however, that while as human beings we every one have faults, we must demand that when 12 or 14 human beings are selected from all parts of the country and put in the Cabinet to conduct the business of the country, what they do and what they carry out must be infallible and perfect—defects you find in every man; defects are to be found in every association of men, defects are to be found in every Government, and the man who would turn out a Government because of some defects in it is just as unwise as a man who would refuse to live among his neighbors because some of them had defects in their character or imperfections in their conduct. (Applause). So when deciding upon the merits or when arguing upon the actions of the Government, you are not to expect, from the very nature of things, infallibility from error, but you are to find out whether, in comparison with those who preceded us, this Government or this party is worthy of the confidence of the country or merits its disapproval. (Hear, hear).

In the first place then, with reference to the administration of the Government. There are two lines upon which you may criticize the administration of a Government. You may say you do not like it because it is corrupt, or because it is weak and incapable.

THE CHARGE OF CORRUPT ADMINISTRATION.

Please take the first head. The Government of which I have been a member for the last year through your kind sympathy and support—this Government is attacked by its opponents on the ground that it has corruptly administered certain great public trusts. I reply to that charge on behalf of the Government, not with reference as I said before, to what may be urged against the personality of any member of the Government or of any supporter of the Government, but with reference to the Government itself.

Now if you group all these charges of corrupt administration you will find them under this head: You have corruptly administered the Government with reference to the great public trusts reposed in you in the lands and riches of the Northwest, especially with reference to its coal areas, its grazing areas, its colonization areas and its timber areas," and in all these our opponents say and say it daily, we have been guilty of reckless, dishonest and corrupt administration. That is the charge. Is it true or not? If it is true then turn out the Government that will administer in such a manner the affairs of the country and violate the trusts reposed in it; turn it out and put honest men in; but, before doing so, be sure you do not mistake the charge for proof, look for evidence of the truth of the charge, consider well all the facts in relation to it and use your own judgment in the matter.

With reference to the public trusts, so far as I have referred to them, in connection with which those charges are chiefly brought, what are the facts of the case? Our opponents say that we have administered these wrongfully, have administered these corruptly, have given them neither and thither to our followers for the purpose of corruption. Let me give one firm, flat denial to all such charges. I state first that no coal area, no grazing area, no timber limit nor colonization area has been given away by the Dominion Government during the term of its administration. (Vociferous applause.) Every one that has gone out for the time being from the hands of the Government has gone out according to Act of Parliament and according to regulations founded upon Acts of Parliament, which are open for your perusal and which are open to all men to take advantage of. None of these with the exception of coal areas and colonization areas have gone out of the hands of the Government by any other way than by way of lease, returning to the Government when the lease expires. We sell coal areas and we sell colonization areas: we lease timber limits and we lease grazing areas.

THE ADMINISTRATION OF COAL LANDS.

First, with regard to the coal lands. As I said before, a certain price is put upon them and certain districts are set apart which are considered to be good coal areas. Any man who wishes, any company that wishes, who have the means to work them and who apply in good faith for them for the purpose of working them for the benefit of the people, can get coal areas in the Northwest over this limited region at the rate of \$10 per mile and \$12.50 per mile, according to the kind of coal, whether bituminous or anthracite; that is the only way they can get them. They are sold by the Dominion Government and they become the property of those who buy them and the money goes into the treasury. The only change, so far as the public trust is concerned, is that instead of having the property as land we have it in the shape of money which is equally yours and which is administered by the Government in your behalf. But a greater change is made, so far as the people in the Northwest are concerned. It was at one time considered that the absence of coal in the Northwest would prove to be one of its cardinal defects, but the result of explorations has been to lead to the discovery of coal areas of large extent and the wisdom of our policy of selling coal lands has been best demonstrated by the rapid development of coal mining, so that now in Winnipeg coal can be obtained at \$6 per ton where formerly they had to pay from \$16 to \$20 per ton for the coal they burned. Today at Lethbridge and near Medicine Hat and beyond that in the Rocky Mountains coal is being mined in large quantities, employment is being given to the people and to the railroad and the consuming population get their coal at less than half the price they before paid, and I repeat that no man can say today that a single acre of that class of land has been given away by the Government; every acre has been sold and sold according to regulations which are open to you or any of the people of this Dominion or out of it, if they comply with the terms laid down.

THE GRAZING LEASE POLICY.

Next with reference to the grazing leases. Out under the shadow of the Rocky Mountains where the warm Chinook winds sweep the prairie we have the most valuable grazing lands on the continent of America. The Government said what shall we do with these lands, shall we sell them in immense tracts to such persons as desire to purchase them, or shall we allow them to remain unused and unproductive, or how shall we administer them? It finally came to the conclusion to put them under lease upon certain terms and under certain conditions. The leases run for 21 years (and may be cancelled before expiring by the Government for cause) at the rate of 2 cents annually per acre. Those who get the leases have to put a certain number of cattle or stock upon the land during the first three years and afterwards maintain them bona-fides. What has hap-

pened under that policy? Not a single acre has been given away. It has been leased at a certain price which Parliament has sanctioned. The result is that between two and three millions of acres are to-day under grazing leases, that hundreds of thousands of head of valuable stock, a large portion of which was brought from the United States because of the greater excellence of our grazing areas, are now on our lands. What else has happened? A large grazing business is developed which materially adds to the wealth of the country and also to the earnings of our railways. What else has been done? Why, this gentlemen. A contract for three years has been lately entered into to furnish the Mounted Police and Indians in the Northwest with the beef that they eat and with which we have to supply them. The difference in the two contracts, that is the one now about to expire and the other which comes into operation soon and which will extend over three years amounts to \$121,000, so that on this article of beef alone the people of Canada, consequent upon the stocking of the Northwest with these cattle, have saved \$121,000 on a three year's contract, and the Government has received into the treasury of the country more than \$100,000 from the rental of these areas. But you say, you thereby close up the land and prevent it from being settled. Not at all. On any of those grazing lands, the lease of which runs for 21 years, any settler can go, take up a homestead of 160 acres free, and the moment he takes it up it comes out from under the operation of the lease; it is his own just the same as any land in the great Northwest. So we are not open to the charge of keeping the land away from the hand and toil of the settler. (Applause).

THE COLONIZATION COMPANIES.

Of the third point, the colonization companies, you have heard and you hear of them every day. You are constantly being told of the terrible corruption in connection with the companies. These companies undertook their operations on conditions laid down by Parliament, under statute enacted by Parliament, and it was open to any person to take advantage of these conditions. These colonization companies went in and bought their land and settled up their tracts, so far as they are settled, and what has happened? We have got into the treasury of the Dominion as the result no less than \$857,455, while according to the sworn returns of the auditor \$368,000 over and above this sum was expended by the companies themselves in bringing in settlers to their tracts. Not one acre of the colonization areas has been given away, and they have been sold only under the provisions of the Acts of Parliament in relation to them. (Applause).

THE TIMBER LIMITS POLICY.

You have all heard of the timber limits. They say that these timber limits have been thrown around on this side and on the other, that people have been corrupted by them, and that even members of Parliament have been bought with them. Let me give you the truth with reference to these timber limits. In the first place no man can put his finger on one single case where a timber limit has been given away or disposed of in any other manner than according to the enactments of Parliament and the regulations based upon these enactments, and which are open to the inspection of the whole country, and which may be found by anyone desiring the information. What must you do to get a timber limit? Do not think these timber limits are like those in this country or in Quebec or Ontario or British Columbia, for the limits in the Northwest mean something very different to these. There they are little sparse clumps of timber, you would scarcely call them trees here, which are scattered along the banks of the rivers and bluffs, and which are not suitable for any kind of fine work, but which are used chiefly for making settlers' houses and fences and other things necessary for settlers' use. If any of you wish to work a timber limit you must first apply to the Department to see what the regulations are. You there get a copy which tells you what to do. You have first to find in what section of the country you desire to work, then application must be made for it to the Department, then it is surveyed and you pay for its survey, then you pay in advance \$5 per square mile as rental for the year. You must then erect a mill upon it which must have a cutting capacity of 10,000 feet of lumber a day, which mill must run for six months per year, and every year you must pay rental. In addition to all this, upon every bit of timber cut, you must pay a royalty of 5 per cent. into the Dominion treasury. If you and another apply for the same limit, what happens? It is then put up to tender and the one who pays the highest bonus gets it. But, since 1884, all timber limits have been disposed of by public advertisement and by public sale, so that the man who pays the most gets it. What is the result? One is that the settlers who before were not able to get lumber, save from a distance, have now the mills close at hand and they get the timber cheaper, and in addition to that comfort there has been paid into the Dominion treasury over \$600,000 as the income of these timber limits, and, as I said before, not one single instance can be shown where these limits have been disposed of in any other way than according to the strict letter of the law and the regulations which have been laid down. So much, then, with reference to this timber limit business. In the light of the above facts, and I challenge their contradiction, what must be thought of the reckless dishonesty of those who make such unfounded charges, and seek to gain a verdict against the Government on the strength of an indictment whose falsity is equalled only by the shameless boldness with which it is made.

THE RAILWAY SUBSIDY CHARGES.

Then they say, the Government uses the railway subsidy system as a means to debauch and corrupt the electorate and also to put money into the pockets of their favorites. Let us analyze this matter. It is said by Mr. Blake and his followers that it is used by the Government as a means of corrupting the members of Parliament who seek to obtain a bonus or subsidy for a railway running through their county, and that such subsidies are chiefly given to the supporters of the Government. Such is not the case. Some of course, obtain subsidies, others do not. You could not grant all the subsidies asked in any one year. Mr. Blake says it causes the people to look more favorably towards those in power at Ottawa who grant the subsidies. That is true. Tell me anything that a Government does for the benefit of the people of Canada from the shortest postal route to the various sums given for the erection of public works that has not a tendency to create a favorable opinion to the Government in the minds of the community that gets these facilities, and which are naturally thankful for them. So it is with railroads and other improvements aided by the Government. The people will look more favorably on such a Government, of course, than on one which does not pursue such a policy. But I wish to show you that the Government by this system does not and cannot put money into the pockets of its favorites.

Suppose, for instance, you elect myself to go to Parliament and you say to me:—we want a railroad built in Kings Co. from any one point to another, and we shall look to you to urge this claim on the Government and lay the facts before them and see if a bonus cannot be granted for it. The time comes, an application is made and the subsidy is granted. Now how much is granted? \$3,200 per mile, that is the general bonus, it may be a little more, it is never less. That that is the amount arose from the fact that at a certain time a policy was introduced of lending or giving the rails for some roads when built, and later by granting \$3,200 it was considered about the same was given. Then suppose I built the road myself, is that \$3,200 put into my pocket? Can anyone say in Parliament "of course you will support the Government because you got \$3,200 for every mile of road built and you sit here with that in your pocket." Is the money in my pocket? I think you will say not, for every cent and much more has been taken to build the road. Before that \$3,200 per mile is paid there has to be a company formed, a location for the line has to be found and the surveys approved by the Government. Then a contract has to be entered into. 10 miles of the road must be built before a single dollar of that subsidy can be paid. How much does it cost to build? From ten to twenty thousand dollars a mile, and when I, if I am building the road, have expended that sum, it may be more, then I will get this \$3,200 per mile on the road being built in 10 mile sections. Then having paid for the building how much do I have or how much does the company have in pocket? Has not three or four times more been paid out in order to obtain that subsidy? You have the matter plainly before you and I ask you as honest men where in such a policy is the corruption to be found and where the possibility of putting into the pockets of those to whom the subsidy has been granted? (Applause.)

I have now answered the chief charges brought against the Government as a Government with reference to its being guilty of a dishonest or corrupt administration of the affairs of the country in its dealings with the public trusts of the country. (Applause).

THE CHARGE OF WEAK ADMINISTRATION—RECIPROCITY.

The next criticism made is that ours is a weak and incapable Government. Now, ladies and gentlemen, what are the charges made against this Government in the endeavor to prove its being a weak or incapable administration? One of the first is that we have not obtained a reciprocity treaty. "If you had been a strong, if you had been a willing, if you had been a capable Government this country would have had what it needs, it would have had what it desires, a fair reciprocity treaty with the United States of America."

Let us examine that for a moment. Does it not strike you in the first place that the very idea of reciprocity supposes that there are two parties to the arrangement and, that the two parties must think that they get countervailing or equivalent advantages or else they will not enter into a reciprocity treaty? One party itself, however well disposed it may be to an arrangement for reciprocal trade, cannot make a reciprocity arrangement, it takes two parties to arrange such a thing and to carry it out. The reciprocity arrangement wanted is between the United States and the Dominion of Canada, and I say here, and I assert it most unhesitatingly, that the present Government and the preceding Government of Canada has never shewn by a single record, by a single utterance, or by a single action, anything else than a favorable desire to meet the United States fully half way and to arrange a fair and equivalent system of reciprocity between themselves and us, and if the United States does not wish it, it makes no difference what party is in power, it cannot be gained unless both parties agree to it. (Hear, hear).

What has been the attitude of the United States on the question? It has been unfavorable to any reciprocity arrangement or system of equivalent advantages. We had a reciprocity treaty from 1854 to 1866. Why did it lapse in 1866? Because the United States authorities gave us notice that it must discontinue, that they would not allow it to continue. That they did

against the wishes of delegation after delegation which had been sent to them and after representation after representation had been made by the Home and Dominion Governments in the endeavor to keep things under the old regime; and since 1866 not a favorable word, not a single intimation from them looking to a fair reciprocal arrangement between the two countries! Repeated advances have been made by Great Britain and by Canada for the negotiation of a reciprocal treaty and they have been absolutely refused by the United States. As a still further proof we find that in the United States Congress itself resolutions have been introduced year after year since 1875, affirming the desirability of a reciprocity treaty between the United States and Canada, and in every case those resolutions have been allowed to lapse or have been voted down and no single fruit of result has come from any of them. In 1881, only last year, the Senate of the United States refused to allow the appointment of a mixed commission, which had been recommended by the President of the United States, in accordance with the desire of Canada and whose duty it should be to endeavor, if possible, to arrange for a settlement of the fishery troubles between the two countries and for an arrangement to ensure reciprocal trade with equivalent advantages for the two countries. In 1879 the Dominion Government by statute enacted by Parliament showed the desire and wishes of this country as in no other way it could be shown and enacted, that when the United States would take off or lower their duties upon the natural products enumerated in the Act, and which took in about the identical articles that were included under the old reciprocity treaty, when Canada put that statute upon her statute book in 1879, and said if the United States will take off or lower the duties on these we will empower our Government to take off or lower the duties upon similar articles brought into Canada and thus have reciprocal trade, yet not a single step has been taken by the United States to meet the proposal half way and so ensure reciprocal trade with reference to these articles. We, therefore, stand upon the same ground that Mr. Mackenzie stood upon in 1878 when on being asked in Parliament if fresh negotiations were going on or would be begun with the United States, he stood up and said: "We tried to get reciprocity trade from the United States over and over again and have failed, and if any negotiations are to be had now the first advance must come from the United States and not from us for we have been refused time and time again." (Applause).

They try to make it appear that the Government of which I am a member, has been opposed to reciprocity; while the facts are that Sir John A. Macdonald has placed this Act on the Statute Book, that he has repeatedly expressed his willingness to have a treaty made and that not a single act or word of his or of any of his colleagues can be adduced to show that the Dominion Government is other than favorable to reciprocal trade and is willing and anxious, on fair terms, to have it secured, and is willing to enter into negotiations at the very shortest possible notice; but I say now as before that the essential difference between ourselves and our opponents is this, that while our opponents could not get a reciprocity treaty while in power, they did not do anything to compensate the country for the loss occasioned. When the present Government could not get reciprocity they then said we will keep the markets of Canada for Canadians, we will manufacture for ourselves, we will keep and pay our labor at home and if the United States will not agree to reciprocal trade we will protect ourselves, build up and develop our own resources, encourage interprovincial trade, and enter upon a true and independent policy of Canada for Canadians. (Cheers.) That, ladies and gentlemen, is the difference between the two parties.

THE FISHERY QUESTION.

The next charge is, that we have not properly managed the fishery business. I must go shortly over this as it would otherwise take too much time. They say we have not fairly managed the fishery question. You know that from 1776 down to the present time there has been more or less of a standing dispute bridged over from time to time by treaties either of a permanent or temporary character between the United States and Canada as regards the fishery rights in Canadian waters. In 1818 a solemn treaty was entered into between the United States and Great Britain, representing Canada's interest in this respect, and in that treaty it was laid down that American fishermen had rights upon certain restricted parts of our coast. They had no right to fish within the three mile limit, and within these limits they had simply the right of entering for shelter and repairs, the obtaining of wood and water and "for no other purpose whatever." Upon that treaty were based certain Provincial and Imperial laws, by authority of which the provisions were enforced with more or less strictness, until in 1854 a reciprocity treaty was negotiated which granted among other things mutual advantages of fishing and markets for fish between Canada and the United States, and settled that question from 1854 to 1866. In 1866 that reciprocity treaty was abrogated by the United States, and things went back to the treaty of 1818, and when we began to enforce that treaty friction commenced and trouble was likely to arise. The upshot was that that and certain other troubles were, in 1871, referred to a mixed commission, of which Great Britain appointed one half the members and the United States the other half—Sir John A. Macdonald representing Canada upon the British side of the commission. The result of their labors was the Washington treaty of 1871 which shortly after came into force. Having been negotiated by a mixed commission it was sent for ratification to the different Parliaments. It came before the Parliament of

Canada, when, after a fierce debate, it became law, and from 1871 to 1885 its provisions regulated the fishery privileges between the two countries, the United States allowing us to send in our fish free of duty and we allowing them to fish within three miles of the coast.

Who abrogated that treaty? It was not Canada. It was the United States of America which, by resolution in Congress, in both houses, decreed that Great Britain should be notified that at a certain date that treaty would lapse and that it was not the intention of the United States to continue it. It was in vain that efforts were made to have it continued; they were inexorable in their demand to have it lapse and lapse it did on the 1st July, 1885. In the Dominion of Canada before this the policy had been favourable to a reciprocal arrangement of some kind between this country and the United States, and seeing here a chance for renewing negotiations and desiring a settlement of both fishing and trade relations on a broad reciprocal basis, the Government determined to make a proposition to the United States. This fishery treaty would terminate on the 1st July, 1885. The fishing fleet goes out anywhere from the 1st April, so that on the 1st July, 1885, the American fishing fleet would have been all over our coasts and shores in the pursuit of its operations. We all knew that friction would have occurred if the law had been put in force at that time and strictly enforced, and the Government said here is a chance to hang negotiations upon, and they made this proposition to the Government of the United States through Great Britain: we will allow the American fishermen to fish from the 1st July, 1885 till the end of the season providing that in return you will recommend to Congress the appointment of a commission jointly appointed by you and Great Britain which shall take into consideration the best means of making an arrangement which shall cover the fisheries and the question of reciprocal trade. After some little negotiation that was agreed to and we gave a favor for which in return a recommendation was to be given by the President and his Cabinet to Congress as to the appointment of this joint commission. Well, they went on and fished and the President and his Government fairly carried out their undertaking and recommended that the commission should be appointed for the very purposes agreed upon, but when that proposition came down to the Senate the Senate rejected it and refused to appoint such commission. Negotiations were thereupon at an end, but it shewed Canada in this light, that she had made one more honest and self sacrificing endeavor to get these matters settled, and that the United States refused as she has refused time and time again in the years that are passed. Then, in January, 1886, the Government determined to protect our coasts, to put on our cruisers—we had them on the coast when the season commenced and we have kept them on while the season continued, and we still have cruisers out for the protection of our fishermen at exposed points. The charge now is that we have had those cruisers out and that we only pretended to enforce the law while we had not done it, and Mr. Davies of Prince Edward Island even went so far as to say that the department had sent orders to the commanders not to enforce the law. I think I ought to know more than anyone else of that. I gave the orders and know what they were, and when Parliament meets I will lay these orders before it; but till then, I am precluded from speaking of their contents or else I should be charged with a breach of privilege. I say now that the orders at first given were never countermanded and they were that the law should be strictly enforced and the rights of our fishermen protected on all occasions to the full extent of our powers. (Applause).

You had them on a whole year, say some of these gentlemen, and you seized three vessels and only one for fishing within the three mile limit, so that is a sure sign that the coast has not been protected. That is an ex parte statement and not to be relied on. I will have to lay before Parliament testimony from all parts of the coast, for that is the portion most interested, testimony which will prove to Parliament that the fishery protection service has been strictly and honestly carried out and with great benefit to Canadian fishermen.

You will remember that last year in Parliament I introduced a bill regarding the fisheries giving enlarged or rather better defined powers than those given in the old Act and providing well defined and summary penalty for violations of the provisions of the treaty of 1818 other than actual fishing within the limits, and so make Canada feel secure in the full protection of her fisheries, and although that Act was held over by the Governor-General for Her Majesty's pleasure, inasmuch as it dealt with an international question, yet I am happy to say that the Imperial Government has consented to it and in so doing has backed up and endorse the contention of Canada in this important matter. (Enthusiastic cheering). And next year if it so happens that no treaty is made it is the intention of the Government to put on such a force, backed by the power and authority of Great Britain, as will guarantee the full protection of Canadian waters and the invaluable interests of Canadian fishermen within them. (Applause).

THE PUBLIC DEBT.

And now let me ask your attention for a few moments to the question of the public debt. The assertion has been made by the opposition that the debt has been extravagantly and unnecessarily increased, that it has been almost entirely so extravagantly increased by the Liberal Conservatives, and that it weighs with an intolerable burden upon the people of the Dominion. Let us analyze these statements, compare them with facts and see where the truth is to be found. And first, as to the amount of the debt about which the most contradictory assertions have been hazarded, and which has been made to range everywhere from \$200,000,000 to \$350,000,000.

If we take the last published accounts, bringing the statement down to July 1, 1885, we find that the gross debt of the Dominion at that time was \$264,703,607. But, against this gross debt, the Dominion held available assets to the value of \$68,295,915. These assets consisted of cash in hand, of loans to various companies and trusts, of sinking fund equivalent to cash, and other investments. That these assets were good is shown by the significant fact that the interest earned by them in 1885 amounted to \$2,694,333, or at the rate of \$3.94 for every \$100, while upon our debt we paid out \$3.80 upon each \$100. The assets were worth more dollar for dollar than an equal amount of the public debt reckoned by the true test of the interest rate.

We have, therefore, to deduct from the gross debt of \$264,703,607 the assets \$68,295,915, and so arrive at the net debt of Canada July 1, 1885, viz.:—\$196,407,692. There can be no doubt about the fairness and truth of this. To get at the financial standing of a man or a commercial house you must find out not only how much he owes, but, as well, how much he owns. The balance will show his position, and the same is true of a country. But to simply say that the net real debt of Canada July 1, 1885, was \$196,407,692 does not by any means give you a fair idea of the whole truth of the matter. Was all this debt incurred by the Dominion and for Dominion purposes from 1867 to 1885? If so, it might well be deemed an extravagant increase. But what are the facts? The Provinces before confederation owed certain debts, incurred by themselves, and which would have to be borne by themselves had there been no confederation. Since confederation, these Provinces have incurred other debts which would have been incurred and must have been borne by the Provinces had they not been united in a confederacy. These Provincial debts, to the amount of \$106,815,214, have been assumed by the Dominion and carried by the Dominion and form a part of the net indebtedness. If we subtract the Provincial debts from the net debt we have left \$89,502,478 as the net and real debt of Canada incurred from 1867 to 1885 for Dominion purposes. Now, what have we to show for this? Has the money been wasted? Or, has it been so expended as to show today a value equivalent in matter of cost, and a service equivalent to the expenditure? Let us see. We have built our 1,100 miles of Intercolonial Railway, threading P. E. Island, and reaching from St. John and Halifax away to join the central railway system of Canada at Quebec. This cost on capital account \$30,684,390.

We have an unrivalled system of water communication in the St. Lawrence and lakes, which, by means of canals and channel deepening, has been made the finest transport medium in the world. A few years since and vessels drawing more than 8 feet of water could not reach Montreal. Now the grey-hounds of the sea, drawing 27 $\frac{1}{2}$ feet, can run up the St. Lawrence and load and unload their treasures at Montreal in the very heart of the old Provinces, while vessels of 14 feet draught can make their easy way 2,500 miles inland from the gulf and tap the trade of Northwest America in the very heart of the Continent. On this Canada has spent on capital account \$28,000,000.

That great Canadian undertaking, the Canadian Pacific Railway, leaves the Atlantic, stretches across a thousand miles of level prairie, pierces the Rocky Mountains, descends the valley of the Fraser River and stops not until it reaches at Port Moody, the waters of the Pacific, and gives to and receives from the ships that come there from San Francisco, from China and Japan, the ever increasing richness of trans-oceanic trade. In this gigantic enterprise Canada has put \$57,000,000 of her money.

Add these together and you have over \$115,000,000 of public money represented in these great works alone. That is, for an added net indebtedness of about \$90,000,000, we can point to these three invaluable systems of communications as worth far more than the whole added debt. These do not include the vast improvements and extension made in our light-house system, the public buildings, the harbors, the piers, the breakwaters and other public works, which place Canada to-day in the van of young nations in security and convenience for trade and commerce.

In the face of these facts who shall say that our increase of debt has been extravagant, or that we have not a precious and serviceable equivalent to show for it? And I have not made any mention of the Northwest, the payment for which is included in the debt, and whose available fertile lands at a valuation of less than one dollar per acre are more than sufficient to offset the whole debt.

THE BURDEN OF DEBT MEASURED BY INTEREST PAID.

But the burden of the debt of a country is measured by the annual interest which is paid in order to carry it. What is this annual interest and what has been its increase?

In 1867 when the Dominion had not incurred a dollar of debt but was simply carrying the old provincial indebtedness the people paid as interest \$1.29 per head. In 1874, the first year of the Mackenzie Government, the amount paid to carry the debt was \$1.34. In 1879, when Mr. Mackenzie had left office it had risen to \$1.50 per head, and in 1885, after all the added debt of which so much talk is made the per capita interest payment was just \$1.59, not one cent more than in 1879.

This is an unanswerable argument to those who cry out that the burden has become intolerable by reason of the extravagant increase of the Public Debt from 1879 to 1885.

But how is this explained? says one? We owe more and still our interest charge is not

greater? The explanation is made by the mention of two facts. Our population is increasing, and we can support a heavier debt without feeling a heavier burden. If 4 men carry a log weighing 200 lbs, each one supports a weight of 50 lbs. If you take 8 men and put on them a log of 400 lbs, though the log is heavier, each man supports still only his 50 lbs. So with our debt and its interest.

Again, our credit is better and so we can borrow at less rate of interest. In 1874, Sir Richard Cartwright went into the London market and asked a loan of £4,000,000 at 4 p. c. For every \$100 of this loan which we are to pay at the end of the loan period Sir Richard brought back only \$88.66 to Canada, the other \$11.34 he left in London as discounts and charges. The total loss on the \$19,500,000 was \$2,208,329.

In 1876, he went to London and asked a loan of \$12,166,666 at 4 p. c. For every \$100 we have to pay of this loan Sir Richard brought back to Canada, only \$88.82, the remaining \$11.18 was left in London as discount and charges. The total loss on this loan was \$1,360,203. In 1885, Sir Leonard put a loan for £4,000,000 on the London market and for every £100 Canada has to pay when the loan limit expires, Sir Leonard had paid into his hands £101. 1. 8*½*d. and the total of charges left in England was only £140,444 as against \$2,208,329 left by Sir Richard in 1874. Both loans were unguaranteed, but no sinking fund was attached to Sir Leonard's loan, while there was one attached to Sir Richard's, and while Sir Richard could with difficulty get his loan taken at all, Sir Leonard had £12,000,000 offered him instead of the £4,000,000 he asked for.

And in addition it is to be remembered that the bank rates in 1874 were within a shade equal to the bank rates in 1885.

Can there be a more triumphant vindication of the financial management of the present Government and of the sterling credit of Canada today notwithstanding the cry of ruin which interested partisans are continually raising? But it will be said that 1885 is not now, and that since that the Debt has increased. That is true, but until the public accounts are laid before Parliament I am precluded from fully discussing them, nor can the public possess the data necessary for a full understanding of them.

The net debt has increased somewhat since 1885, and chiefly owing to the fact that the Canadian Pacific Railway has been completed six years before the contract time, thus making it necessary for the subsidy granted in 1881 to be all paid by 1887, whereas, otherwise it would not have been all paid until 1891. But if the money has been paid earlier, the country has the great benefit of having the Railway opening up and developing our resources and enlarging our trade. If the debt increased, so also have the assets in that we have added to them nearly seven millions of choice lands lying along the railway belt, and made all the more valuable by the opening up of the railway, which lands, at the minimum calculation of Mr. Blake himself, are worth nearly \$20,000,000. It is to be borne in mind that the increase of debt in Canada arose from building the Inter-colonial Railway, the Canals and the Canadian Pacific Railway. These are now finished so far as the railways go, and nearly finished as regards the Canal system. So that the great public works which Canada needed are now practically accomplished, and there is no longer need for large capital expenditure. I may say therefore that any further large increase of debt is not to be contemplated, that revenue will be sufficient for the general needs of the country, and that although the per capita rate of interest may, during the current year, be a little in advance of that of 1885, yet we may be certain that with the increasing population, the increase of the sinking fund, and the replacing of some loans soon falling due by loans bearing a less rate of interest the amount paid per head as interest on debt will not in two years from this time be as much as it was in 1885.

So far, then, as the question of this debt is concerned, to not think the country has any cause to fear. We have the great works, we are prosperous, our credit is good. Mr. Blake said in the City of Guelph, if you let the present Government manage the affairs of the country for five years more, as they have in the past, there will then be no country to save worth saving. Mr. Charlton says it will only take 18 years more to throw us over the brink of financial perdition. Mr. Cameron says if this thing goes on for a few years more you won't find even the ruins of a country to pick up. If these charges are all true, then, in the name of all that is financial, how is it that a country so governed, a country so wrongfully and so grievously mismanaged, can go into the money markets of the world and borrow so much better terms than could be obtained under the Government of the party who find these faults, in 1874 and 1876? (Applause). How is it that these shrewd money lenders, without any Imperial guarantee, can give a premium upon our loans? Before this ruinous administration came into power, our friends in the opposition could only get \$88 for every \$100 borrowed, and which \$100 you had to pay when the time came for its redemption. (Applause).

COMPARATIVE INDEBTEDNESS.

Our critics are fond of comparing our debt with that of the United States and other countries, and they would leave the impression upon people's minds that we were in a most ruinous condition and that Canada was in a very bad way. Do not other countries have debts, and debts far in excess per capita of ours? In 1885 our per capita debt was \$41.83; Cape of Good Hope colony, \$90.00; Great Britain \$99.00; France, \$181.00; the Australian colonies, \$190.00. And yet these

are fairly prosperous countries and we do not hear of them pitching over the precipice of financial ruin. Yet their per capita debts are from two to five times as large as that of Canada. They compare our debt with that of the United States in an ingenious but not in an honest way. In the United States they have federal, state and municipal debts. Every state has its own debt and the interest of that state debt is paid by direct taxation. There the federal debt means simply a war debt whereas the federal debt of Canada means something very different. It includes not only what has been expended for federal purposes, but also every dollar of debt that the provinces incurred; for the Dominion assumed all the debts of the provinces and manages them, while in the United States the Federal government assumes no state debts nor does it manage them. For the state debts the people are taxed directly. I will not, however, deal further with the question except to ask, for what has the debt of Canada been incurred; for what have the debts of other countries been incurred? You are a farmer, you take \$5,000, and you can dispose of it in two ways. You can set fire to it or you can invest it in improvements on your farm. Supposing you do the latter, you would not allow any one to compare your financial conduct and management with that of the man who, right alongside of you, burnt his \$5,000. There can be no question about it. He has spent his \$5,000; you have spent yours; but yours has been expended in a productive way, his is all air and smoke. (Applause). But it would be a great deal worse if he had taken it and used it to burn and destroy his property. Every dollar of the United States debt is a debt incurred for war, and for destruction of life and property, every dollar of it was placed upon the shoulders of the people by that dreadful internecine war that took place from 1860 to 1866, and not one single dollar represents a public improvement, a public bridge, a public harbor or railway; it has all gone for waste and ruin and destruction—(applause)—and they are paying for it now. On the other hand, take the debt of Canada as on the first July 1885 at \$196,000,000 and it does not represent war or the waste of war, every dollar of that debt was a dollar invested in productive public works in your own country, and which today makes this country a country unrivalled for its internal carrying facilities. Is it then, I ask, fair to make a comparison between these two countries? (Tremendous applause). And when they compare the United States indebtedness and that of Canada you can turn to them and tell them that the comparison is unfair because the conditions and results are entirely different between the two countries. (Applause).

THE TAXATION QUESTION.

I shall now ask your attention to the question of taxation. They say taxation has been largely increased and that it presses with undue weight on the average family.

Mr. Blake at Galt and at Toronto, especially where the workingmen were before him, declared that they were more heavily taxed than they would be under his administration, and that they would be so while we were continued in power, and he gravely asserted that each working man and his average family was obliged to take from his earnings the sum of \$45 per year in order to pay the taxes the Government imposed upon him. Do you want to do that? he asked. If you do then go on and support this Government. If you want to get rid of that heavy taxation then support me and I will put the taxes upon the luxuries of life and take them off the prime necessities of life and relieve you of your burden.

I will analyse that argument and I want you to follow me in that analysis. How did he get that \$45 per family. He got some \$15 by a certain fanciful calculation of what the head of a family pays as the profits charged on taxation by the wholesale and retail dealers, but as that branch of his argument is too absurd to be noticed at any greater length I will not follow it.

The remaining \$30, says he, is paid directly as taxes into the treasury of the Dominion. How did Mr. Blake get at that \$30 as the tax per head of family? Why he got it by taking revenue as synonymous with taxation, whereas there is a great difference between them. Take the accounts and what do you find? In 1885, the revenue was \$32,500,000, divide that by the population and multiply by the number in an average family and it gives about \$30 for the family. But the \$32,500,000, revenue of Canada, is not all taxation, and Mr. Blake should have known it was not, for \$7,412,000 of that sum are earnings from the investments and public works of Canada, not one single cent of which is paid as a tax. It is earnings upon money invested in sinking fund, railways, post offices, canals and divers other sources, but not a cent of it taxation. If, therefore, we take the earnings from the total revenue it leaves some \$25,000,000 which when you calculate it, makes only some \$24.30 for the average workingman's family.

But even this is not all necessary taxation, nor does it all fall upon the average working man.

This taxation is divided into two kinds, a part is wholly voluntary, and the other partly voluntary and partly not, because you have to get the things on which it is raised as necessities. \$8,450,000 of that \$25,000,000 which Mr. Blake calls taxation and which he says is paid by the average family is raised upon tobacco and alcoholic liquors by excise or customs and you as the head of a workingman's family need not pay a cent of it unless you use liquors or tobacco. I am happy to say that there are more than one-half of the people of this country who do not use tobacco or liquors. (Applause). Therefore, I say that \$8,450,000 is altogether voluntary tax-

ation which you must pay if you drink or smoke, neither of which you are obliged to do, and I believe the average farmer's and workingman's family in this country is a sober family and pays little or nothing of the Drink tax.

Then \$1,624,000 is paid for high class luxuries, not one single cent of which you pay, because the average farmer's or workingman's family does not buy silks, satins or jewelry, so that in deducting these, what may be called voluntary and unnecessary taxes from the \$25,000,000 we have left \$15,000,000 at which rate the average family need pay only \$14.58 instead of Mr. Blake's \$45, so that today we find that those who drink and smoke and buy high class luxuries pay nearly one-half of the whole taxation. Let us next enquire whether it is true that the average family is highly taxed upon the prime necessities of life. Take your breakfast table; what is there that is heavily taxed? Your tea and your coffee are not taxed—there was a tax on them while Mr. MacKenzie was in power, and if you last year had been compelled to pay upon your tea and coffee the rate of tax you paid in 1878, when Mr. Blake's party was in power, it would have taken over \$1,000,000 out of the people of Canada to pay that tax alone, but today under the present Government these articles are free.

The eggs on your breakfast table are untaxed; your potatoes, butter, cheese, milk, fish, pork, beef, mutton, your native fruit—please tell me on which of these you pay a tax? They are all to be raised on your own farms or your neighbour's farm, and there is no tax upon these articles. And your bread, is that taxed? Why, Mr. Cartright and Mr. Blake himself have repeatedly stated that of all shams and delusions that was the greatest which made the people of Canada believe that you could raise the price of flour or grain in Canada by putting a tax on it, here, where we raise a surplus. The wood you burn in your houses is untaxed, and the item of coal, for you who use it in the Maritime Provinces, is certainly not increased in price by the National Policy. Because every one knows who will take the trouble of looking into the operations of a mine that it requires very expensive machinery to raise the coal to the surface; he knows too that it requires as expensive machinery to raise 50 tons as it does to raise 500 tons a day, and that after one has gone to the expense of the machinery each additional ton raised makes the expenses of producing it on the surface less and consequently reduces its price—it can be sold cheaper. If you take the coal mines in Nova Scotia and compare the quantity of coal now produced with that under the no duty period you will find an average increase of about 400,000 tons per year, and the consequence is a reduction in price, the more raised the cheaper it can be sold.

Then as to your sugar. It is not so heavily taxed now as formerly, for speaking roundly it now only pays half the duty paid on it during the MacKenzie regime. Let me give you one more calculation. If you were taxed upon your tea, coffee, sugar and molasses to the extent that you were in 1878 you would have paid in 1885, under that arrangement, \$3,400,000 more taxes into the treasury than you did actually pay in 1885 because part of these articles are now free and on part the duties has been decreased. But why tax tea and coffee and admit coal free? We cannot raise tea and coffee here, you may tax them, it does not help any industry here; but coal we can raise, and by placing a protective duty on it we stimulate and develop an enormous industry in Canada. Under this impetus the product of coal has gone on increasing from year to year, and today in Nova Scotia, in the Northwest, in the Rocky Mountains, in British Columbia and distributed all along that region we have productive and inexhaustible coal mines which are being rapidly developed under the system we have introduced and kept up. Your tea and coffee on the other hand is let in free, the tax you formerly paid on these is shifted on to the coal, you pay less tax in 1885 than you would under the regime existing in 1878, while in addition the country has all the advantage of developing a great and paying industry. (Applause).

Who pays the taxes, my workingman's friend asks—who, if the workingman does not? The answer is that it is those who buy luxuries who pay the greater bulk of them. If a man who is rich enough wishes to buy a particular kind of buggy, such as can be obtained in New York, Boston or Buffalo, and pays \$200 for it, he has in addition to that to deposit \$70 as duties in the treasury; he wants a luxury, he is able to pay for it, and the policy in force makes him pay duty. Take the case of a man who wants to buy a first-class organ. He is in New York. He purchases one there for \$500 and brings it into this country. Before he can do so, he must pay a duty of \$100 into the treasury. A man purchases a piano in New York, he chooses the best he can find; it costs him \$1,000, and thereupon he has, on bringing it here, to pay \$200 in the treasury. All these things go to make up the revenue of the Dominion. Take one who is fond of champagne, and I am very glad to know that there are not many who now indulge in that luxury, but, for those who do, for every bottle of champagne cracked the consumer has to pay a good stiff duty into the general funds of the country. If you wish Brussels carpet, and you want something soft to tread upon, and you buy it, you have to pay a duty on it, and a high duty it is as well; but, for the average farmer and workingman, who lives upon the simple necessities of life, and lives comfortably, and who wears like myself cloth upon which no duty is payable, then I say that the average farmer and the workingmen in the Dominion of Canada are more lightly taxed than the average farmer or workingman in any other country in this wide world. (Applause).

COMPARATIVE TAXATION.

But, sir, when you take the taxation here, and compare it with the taxation in the United States—and there again they are unfair in their comparison—what do you find? Here, you pay only your indirect Federal taxation through customs, and your direct municipal taxes. You have no direct taxes to pay for Provincial purposes. And why? Because the Dominion Government gives back to each Province from the general revenue sufficient, with some casual revenue, to carry on the affairs of the Province.

How is it in the United States? They tax the people there in customs and excise more per head than we do in Canada and at the same time every State goes down to its people man after man and from house to house and takes the taxes directly from them in order to carry on the government of the State. Here your municipal taxes are small, in the United States they are very large and you must, to get at the proper relative weight of taxation in the United States and Canada, reckon what is paid for federal, State and municipal purposes there and here, add these several sums together and then you will be able to compare them. I have a table here which I have prepared and from which you will learn that the people of the United States pay for federal, state and municipal purposes per head \$11.58, whereas in Canada the rate of taxation is but \$8.00 per head, or a difference in favor of Canada of \$3.58 per head. (Applause). Let us take New Brunswick and compare it with Maine, that State in the Union which lies contiguous to us, and in Maine they pay \$13.14 per head per year, while in New Brunswick we pay only \$8.40 per head or the sum of nearly \$5.00 less per head than in Maine, and the people of New Brunswick are, therefore, that much better off than the people of the State of Maine. Now, let us take Ontario and Massachusetts and compare them. In Massachusetts they pay for federal, state and municipal purposes \$18.89 per head yearly, while in Ontario for like purposes the rate is but \$9.40 per head or less than one half the sum paid by the people of Massachusetts. Yet there are men who would try to make you believe that this was the most miserable and the most heavily taxed country in the world and would try to make you discontented with your lot here. But if you left this country to go to another you would soon find that it would be a case of jumping from the frying pan into the fire (applause) when you found that you had left a country where you were taxed but to one half of the extent you found yourself taxed in the other. We cannot get on without taxation, all taxation is not a curse, it is a benefit or if not a benefit it is the step by which we rise into comfort and advancement and better living. The thing for you to be sharp about is to see that the taxation is rightly imposed and wisely expended. You wish your son to have a better education than you were able to get and you send him off to a higher school, may be to college, and you educate him. How do you do it? You do it by putting your hand into your pocket and taxing yourself. So in the case of a town, if you want a sewerage system or water supply or the electric light you have to assess your property and raise the necessary taxes in order to pay for these and other needed improvements and what takes place in these cases takes place also in regard to the whole country. Railways and other means of communication are needed and they are built, you enjoy the benefits arising from their being built and you have to pay for them, but you have an equivalent for your money and thus looking at the matter of taxation from these points of view ask yourselves whether or not the Government is to be condemned for the taxation as it at present exists. (Applause).

THE QUESTION OF EXPENDITURE.

Now, with reference to the expenditure, and I will simply point what I wish to say by way of illustration. Watch the newspapers and the arguments therein put forth. They put out the blank argument that the Government is to be overthrown because its yearly expenditures are increased. They say that at confederation it took so many millions, that in 1878 it took so much, and that now a still higher figure has been reached, and they say this is sure proof of extravagance, and that being so you ought to hurl the present Government out of power. Now, let me say that an argument based on such a foundation is by no means strong or logical. Take the case of a boy who went out from your midst into the world ten years ago—say he went to the City of St. John and started up in a mercantile life. He took the most eligible place he could find in a bye street, he did not take a shop on King street or Charlotte, but he made it as attractive as possible and put in as good a stock as he was able; he put into it his time,—his good manners; his energies were all directed to make it a success. Ten years hence and where do you find him? He occupies a first-rate stand on Charlotte or King street. He is doing a large business with all parts of this Province and possibly with other Provinces. If Mr. Blake went to this young man to criticise him, he would say: "You are plunging rapidly into financial ruin, you are in a very dangerous way; why ten years ago your expenses were only \$500 and this year they will amount to \$5,000." The young man, on hearing such criticism, would look up into his face and smile, for he would say—I know that, Mr. Blake, but ten years ago I was doing a very much smaller business and now I am doing one of the largest businesses in the city. It is true my expenses are now ten times more, but my business has increased twenty or a hundred fold. I have wealth in my pocket, hope in my heart, a firm belief in my future prosperity, and you may criticise away. (Laughter and applause).

So with Canada at confederation, she was doing business in a small way, but four provinces keeping along together; today she has a magnificent realm second to none (applause) on this continent and doing a magnificent business, the pride of every true Canadian and the admiration of every stranger who studies her history. (Enthusiastic cheering). But, Mr. Blake still prophesies ruin ahead, \$11,000,000 at confederation, \$35,000,000 now; but, like the young man of whom I have spoken, Canada looks up into his face and smiles and says: "All right, Mr. Blake, I am not on the back street today; I am in the front rank of young nations. I must necessarily redouble my exertions for the future which is to be richer than the past. I have hope in my heart, joy in my countenance, and happiness in my home from Cape Breton to British Columbia; and, while this is so, you can go prophesy and criticise if it pleases you." (Deafening applause).

We expend more, it is true; but we have more people to contribute to the revenue, we earn more from our investments and public works we give back larger amounts to the provinces, we lay up more yearly to pay our debt, and we have growing public services for which to provide.

In 1867 our population was but little over 3,000,000; now it is nearly 5,000,000.

In 1867 our earnings were but \$1,987,247; in 1885 they had increased to \$7,412,470.

In 1867 we gave back in direct cash to the provinces \$2,753,966; in 1885 we gave them \$3,950,326.

In 1867 we invested in sinking fund for payment of debt \$355,266; in 1885 we paid into sinking fund \$1,482,051.

And we must bear in mind as well that while in 1867 the Dominion revenue was called upon to pay the interest on provincial debts of only \$75,000,000, in 1885 it had to pay the interest of \$106,000,000 of provincial indebtedness.

Taking all these things into consideration it may be said that the normal expenditure in 1885, although greater than in 1867 by many millions, was not more burdensome to the increased number of people, while the services for which it was incurred were far more productive of advantages, and brought in a corresponding return of financial benefits and general comfort.

As an example of the wide extension of public service let me give you two examples only:—

STATISTICS OF THE POST OFFICE DEPARTMENT.

	1868.	1885.
No. of Officers	3,638	7,084
" Letters Carried,	18,100,000	68,400,000
" Post Cards	None.	13,800,000
" Registered Letters,	704,750	3,060,000
Miles Travelled,	10,622,216	22,173,465
Money Orders Issued,	\$3,342,574	\$10,384,210
P. O. Savings Banks,	213	355
No. of Depositors	6,079	73,322
Amount Deposited,	\$861,655	\$7,098,459
Revenue,	\$1,024,710	\$2,400,062

STATISTICS OF LIGHT-HOUSE SERVICE—LIGHTS AND FOG WHISTLES.

	1868.	1885.
Ontario,	67	175
Quebec,	64	167
New Brunswick,	26	114
Nova Scotia,	62	175
Prince Edward Island, (1873)	17	46
British Columbia,	3	10
Manitoba,	0	2
Total.	239	680

This latter table does not include the great extension of our Buoy and Beacon System, and the creation of our Signal System in the Gulf, the laying of Submarine Cables, and our system of Weather and Storm predictions.

A glance at the above tables shows how greatly the service of our country has extended, and what necessary increased expenditures must be made to sustain them. But no one would think of curtailing either to the dimensions of 1867.

Now, ladies and gentlemen, I do not wish to weary you but having dealt with the charges under two heads I desire to say a word or two upon the third point.

THE QUESTION OF POLICY—CONFEDERATION OF THE PROVINCES.

As to the policy of the administration has it been a wise one or has it been a failure, has it been a good policy or has it been a bad one as shewn by the results?

What was the policy of the Liberal-Conservative party when it first became the Liberal-Conservative party? At the Union the old progressive Conservatives and the old progressive Liberals

coalescing formed what was known as the Liberal-Conservative party, and from this province Sir Leonard Tilley, one of our purest and noblest statesman, went as its representative. Why, sir, Liberal-Conservatism had its birth in the idea of Confederation—it was the party of Confederation. It saw these provinces disunited with different aims, with different tariffs, its people unknown to each other and it said there is a future before us if all these provinces can be united into oneness of citizenship, if they can be animated with a common purpose and have a united commerce. But you say Liberals were among them. That is true. Otherwise we could not have been the Liberal-Conservative party. Liberals were among them then and Liberals are among them today, the most progressive Liberals of Canada, whilst in the ranks of our opponents stealing the garb of liberalism and parading its name, you find the Anti-confederate blue blooded unprogressive tories of a quarter of a century ago, men who voted against confederation but who were defeated in their fight and have been bitter ever since, and who would not mind seeing the confederation smashed even to-day. (Applause).

To take a familiar illustration,—I do not mention it in any disrespectful manner,—take Mr. G. W. Weldon, he stands alongside of me and says, "Oh, you are a Tory, I am a Liberal." You all know Mr. Weldon's antecedents and you know my antecedents and you know that Mr. Weldon was of the real old tory blood—the blue blood of toryism—he was opposed to Confederation, he fought it, and now claims to be the quintessence of liberalism and dubs such old time liberals as Sir Leonard Tilley as the quintessence of toryism. Go into Nova Scotia and what do you find there today. Let me tell you that the repeal movement, as preached by Fielding and Longley, is a movement which means nothing less than dismemberment of Confederation, the destruction of this Dominion. Who are at the head of it. Hon. A. G. Jones, Mr. Fielding and numerous others, every one of whom calls himself Liberal, every one of whom was an ardent anti-Confederationist who was defeated and who cherishes resentment until today. In New Brunswick, Mr. Ellis, of St. John, and a Mr. Smith, of Miramichi, preach the disloyal gospel of annexation and do it under the stolen name of liberalism, while in Quebec rebel sympathizers cloak their treason beneath the same flaunted drapery. Liberal-Conservatives hold no dealings with such. There were Liberals and Conservatives united to carry Confederation, and equally united have they been in extending and maintaining it. Who added the great Northwest, the complement of this Dominion? It was the Liberal-Conservative party, and they did it in spite of the criticism and contention of the opposition at that time and to day we have in the Northwest a heritage of millions of acres of fertile land out of which we could carve seven provinces greater and better and more fertile than the older provinces of the Dominion. In 1871, the question of having the Pacific province enter the Dominion came up. Who were opposed to it? The liberal party, who were then as now in opposition, opposed it in the strongest possible way. Do you think it was a wise policy or not? There was British Columbia on the Pacific coast, with the United States to the south, and to the north with the then impassable barrier of the Rocky mountains intervening between it and eastern Canada, and if we had not brought that province into the confederation there were grave doubts whether or not in the process of time it would not drift into the confederacy on the other side and so close to us the advantage of having a seaboard on the Pacific. And men of foresight looked westward even then and saw the Pacific ocean already beginning to be dotted with the white sails of a commerce which was to bring from China, Japan and Australia wealth to our shores and to take back in return our products and manufactured goods. So they said we will have the Pacific province and make this one great country from coast to coast. To do this it became necessary to construct that great railway, concerning which Mr. Mackenzie said it would take all the resources of the British Empire and even then it could not be completed in 10 years. Yet, notwithstanding all that had been said and urged against it, the last spike was, in 1885, driven in that great trans-continental railway, and it is today a fixed fact in this Dominion. Then P. E. I. was added, and that too was carried out under that same policy of extension and then we had a completed Dominion.

INTER-COMMUNICATION.

Then arose the question of intercommunication between the various provinces of this great country so that the life blood of commerce of these provinces might flow into one another, intermingle and give us one common life. How was this solved? By building the I. C. R. some 1200 miles, threading P. E. I., and reaching from St. John and Halifax to grasp the great central lines of Quebec and Ontario. Then was begun the deepening of that canal, lake and river system of navigation which to day challenges the admiration of the world. Whereas a few years ago a vessel which drew more than 8 feet of water could not pass up from Quebec to Montreal next summer you can take the largest steamers of the Atlantic carrying a draft of 27½ feet up from Quebec to Montreal and unload in the very heart of the old provinces the treasures they bring. You can take vessels of comparatively large draft—14 feet—inland further still until you are 2300 miles from the Gulf of St. Lawrence into the very heart of the Dominion, tapping the very heart of the Continent and drawing upon the produce of the far Northwest region. Watch the traffic upon those canals, foot up the totals and see the immense stream of trade that goes up and comes

down upon them and you will have some idea of the immense advantages they confer upon this country. Take the Canadian Pacific Railway, that great railway which crosses the prairies and pierces the heart of the Rocky mountains, stopping not until it reaches the Pacific and unites east and west in the enduring marriage bonds of commerce. From first to last Liberal-Conservatives, united in a great party, have been the originators or the consistent advocates of these great works. It was that party which in 1881 took its political life into its hands and appealed to the people of the country on the Pacific Railway and the people passed judgment upon them and said we will sustain you and the policy which we believe is the best for the interests of Canada. It was the Liberal-Conservative party who when dark days came to the company building that great railway, when credits were scarce and ruin stared them in the face, who came in with a subvention of money and loaned them \$30,000,000 in 1884, and \$5,000,000 in 1885 when the opposition all over the country was saying we would never get a dollar back again into the treasury. But the Government of Canada had faith in their country and they backed the enterprise and today we know for a fact that \$25,000,000 of that sum have been paid back in hard cash into the treasury and as my friend said good lands, not the skim milk lands, lying along the line of the railway have been taken for the repayment of the remaining \$10,000,000, so that today there is only good will existing between us and them, we owe them nothing, they owe us nothing, and the country has the benefit of that great work, a work second to none in the world. (Applause). And soon in pursuance of this same wise policy, the complement of this railway—the Short Line—will be completed, and give to St. John and Halifax as winter ports a generous portion of the rich traffic brought from the far West.

These, ladies and gentlemen, are some of the lines of policy to which I wish to ask your attention in full confidence that you will approve them and the party which carried them out.

THE NATIONAL POLICY.

Later, when in those depressed times from 1874 to 1878 commerce languished, industries declined, our mills shut down and the wall of distress made its way into Parliament in vain petitions for aid, what was done? By the then Government, nothing; but the Liberal-Conservative opposition formulated the policy of Canadian protection, placed it before Parliament and in 1878 went to the country upon it. Reciprocity the United States would not give, their markets they shut from us, our industries they drove to the wall, and so the people responded to the motto "Canada for the Canadians" and endorsed the proposed policy. 1879 saw it enacted into law and put into operation. Under it new life came back to our manufacturers, new heart to labor, and renewed hope to the country. To read its results we have but to look around on our growing industries and note the great progress made. Sugar refineries, cotton mills, duck and woolen factories, print works, manufactories of raw materials of all kinds are running on full time employing Canadian labor having Canadian wages, keeping our people at home and our money among ourselves.

This policy has been fought from the first by the opposition, and even today is safe only in the hands of those who inaugurated it, and have maintained it. For if Mr. Blake were to get into power I verily believe that the National Policy would not be safe for a single hour, and with that swept away we should return to the old depression of 1874-9. The Halifax Chronicle calls it "an immittigated curse," Mr. Anglin tells the people of Halifax that he would sweep it away, Sir Richard calls it a sham and delusion, while Mr. Blake hedges carefully, and prefers to wait until he gets into office before enquiring what he really will do. The country wishes to know what plank it will step on to, when it is asked to step off from the one firm footing which has supported it from 1879 until now, and it has a right to ask in view of the tremendous consequences, just what a party proposes to do in fiscal matters, before it entrusts that party with power.

Some say the National Policy is no good for the farmer or the workingman, it is only good for the monopolist and the capitalist; lately, I think, they say as well that it is no good for the capitalist, but I hold no such doctrine. I hold it a fact that the artizan, the farmer and the capitalist are bound up one in the prosperity of the other. (Applause). Let me illustrate this matter in a simple, plain way. Suppose that in 1878 there were living around this town 100 farmers, and in it there were living 100 artizans with their families. The farmers come to the skilled artizans and say: Now you and your families must live, we have good products of all kinds to sell, do you buy from us for yourself and your families, you will get what you need, we will get the money for our produce and all will be benefitted. The artizans say: Yes, we and our families need what you have to sell, and we are willing to buy from you, but there is no work for us here, and we cannot buy from you; we must go elsewhere and look for work to keep ourselves and families. But the farmers think this can be remedied. So they take the workmen with them and go to some large capitalist and say to him: Here are 100 men, skilled in their trade, willing to work and wanting only opportunity. Will you not build a factory and have these men do your work? Then you will have the products of their labor to sell, they will have the wages to sustain them and their families, and we will sell them the products of our farms.

The capitalist admits that would be a good thing, but he says:—The trouble is here: I build a factory and put the men to work, but when my goods are made I find no market for them. United

States' manufacturers, with immense surplus stocks and a steady market at home, send their surplus here, put their goods down to slaughter prices, and drive me from the market. Unless this is stopped I cannot sell and so cannot make. I must have a steady, fair market, protected from the slaughter competitions of the United States manufacturers. So the capitalists, the artizans and the farmers go to the Government, explain the whole matters, are joined by like groups from every part of Canada, and all refer their common prayer for aid to keep labor at home and build up native industries. The prayer is heard, the request acceded to, a fair tariff rate is put upon what Canada can produce, and, as a consequence, capitalists invest their money, factories are built, artizans get employment, the wages are paid in our own country, and, what is better, are spent here, and farmers and merchants and all share in its reciprocal benefits.

Now I tell you that is a plain and simple illustration of the National Policy. Lately when at Milltown, St. Stephen, I went into the cotton mill there which is one of the best in the Dominion—it has been built since the introduction of this policy and cost a large outlay of capital to build it. It is a mill which is to-day doing good work. I there saw 1,500 busy hands at work, 750 persons being employed there. I asked where they came from and I found that 95 per cent. came from Milltown and St. Stephen and the country adjacent, this family sending a boy, another a girl, and they carry their wages home. \$20,000 in wages are paid every month. I asked if they got plenty to do when I was told that they had orders for six months ahead. I then asked the test question:—“Do you make large profits?” I was answered: “We never sold on so small margins as to-day, but we never had so heavy a sale and in consequence we are keeping these people employed and are going a head.” I then asked if it could be run if the National Policy did not give them a fair rate of protection, and the reply was that it would have to close inside of six months and that it would be impossible to run it unless assured of an average market. In Bowmanville I saw the organ factory which had been erected prior to the introduction of the National Policy but which at that time was on its last legs. Bankruptcy stared its proprietors in the face when the National Policy came into operation and put a small per centage on such work as was produced there. The result is that establishment is at work now. I counted 210 skilled artizans, every one of them at work there, and they send their organs today all over the country from British Columbia to Cape Breton, and their business is extending. So much indeed has the organ business of this country increased that one firm alone has an order for 3,500 for the British market as the result of the display of their workmanship in the Indian and Colonial Exhibition this year. (Applause).

Take the question of sugar. 105,000,000 lbs. came in 1878—Canada ought to be pretty sweet with that amount of sugar (laughter) but in 1885 she imported 210,000,000 lbs., so it ought now to be a great deal sweeter (laughter). What is the difference? In 1878, there was 105,000,000 lbs. of which only 8,000,000 was raw sugar, all the rest was refined in foreign refineries and the wages were paid to workmen in foreign lands. In 1885, 201,000,000 came in, over 190,000,000 lbs. of which was raw sugar and which was refined in our own refineries with Canadian hands doing the work and with the wages paid to Canadian labor kept in the country and spent in this country for the articles that we manufacture or produce and consequently so much added to the spending power, the wealth and the prosperity of this country. (Applause). What occurred in connection with this industry occurs in all our Canadian industries.

The cotton industry for 1873 to 1878 was such that some 6,000,000 lbs. were annually brought in and worked up in this country. But mark the increase under this policy. From 1879 to 1885 there had been 20,000,000 lbs. each year brought into the country on an average and worked up in this country. What does that mean? It means employment for our people and would you believe it about one-half of that quantity is made up by the Maritime Provinces mills which send their cottons into all parts of Canada, into Ontario, the West and British Columbia. (Applause).

Take the woollen factories. 5,000,000 lbs. of wool on an average were brought on yearly from 1873 to 1878 but there was an average of 8,400,000 lbs. yearly worked up in the period from 1879 to 1881. All these are but instances of the marvellous effects which have taken place under this policy with reference to the industries of Canada.

This past year over in the city of London, was seen a sight that Canada had never witnessed before and which the old country had never thought of seeing. There in the Indian and Colonial Exhibition were displayed our goods with those of other colonies, and proud are we that Canada took first place. Canada there made such an exhibit as astounded the people on the other side and astounded every Canadian who went from this country and who did not till then appreciate the immense progress we had made in all lines of progress.

I ask you to think of these things, and judge from them and thousands of other instances which I might have pointed out had time permitted of the results of the policy adopted in 1879.

Do you approve of the policy of the Liberal-Conservative party? Do you believe in this great Confederation, in its formation, in its extension, until now all continental British North America is included, in its union by great lines of railway and canal, in its maintenance against rebellion, annexation and repeal? Do you believe in Canada having a fiscal policy of its own, conserving its own welfare, developing its own resources, building up its own industries, keeping

its sons at home and finding employment for them, and cultivating, along with a courteous treatment of all outside countries, a patriotic pride in her own prosperous present and promising future? If you do, and of that I have no doubt, you will show it by upholding at the coming elections the policy and the party which has done so much in the past to build up and develop a united and prosperous Canada, and which has the purpose and the power to work for the same end in the future. We love our country, we believe in it, we are proud of it. We will not deliver it over to the tender mercies of rebels, of Rielites, of American sympathisers, or secessionists. This country is to remain one and undivided; it is to remain loyal and true to the grand old flag which for a thousand years has symbolized freedom and progress and christianity in the world. Here is our citizenship, here are our fortunes and here will live the generations that succeeds us. The policy for us to approve is that which bides fair to make our country most stable and most prosperous. Ponder the facts, make up your minds for yourselves, write your judgment upon your ballots when the time arrives, and I have faith to believe that the good old County of Kinga, which took me up unknown and untried in 1882 and made me its representative, which stood at my back a second time in 1882 and again in 1885 will rally to my support in 1887 and give me a renewal of that generous confidence which it has heretofore so kindly reposed in me. (The hon. gentleman resumed his seat amid enthusiastic cheering which lasted for some time.)

